MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2022/2023

DMK 5114 – PRINCIPLES OF MARKETING

(All sections / Groups)

05 JULY 2023
9.00 a.m - 11.00 a.m
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of **SIX (6)** printed pages (including the cover page) with **TWO (2) sections (A and B).**
2. Section A (40 marks): Answer ALL questions.
3. Section B (60 marks): Answer ALL questions.
4. Please write all your answers in the Answer Booklet provided.

SECTION A: 40 marks
Answer all questions.

1) The first step in the marketing process is _____.
A) capturing value from customers to create profits and customer equity
B) constructing an integrated marketing program that delivers superior value
C) building profitable relationships and creating customer delight
D) understanding the marketplace and customer needs and wants
E) designing a customer-driven marketing strategy

2) _____ is the total combined customer lifetime values of all the company's current and potential customers.
A) Share of customer
B) Customer payoff
C) Customer equity
D) Customer cardinality
E) Customer perceived value

3) In the BCG matrix, _____ refer to low-growth, high share businesses or products. They generate a lot of cash that the firm uses to pay its bills and support other SBUs that need investment.
A) stars
B) cash cows
C) question marks
D) dogs
E) black holes

4) Amin & Co. has modified the production processes of its widgets and gadgets in order to enter the Eastern European market. Amin is likely following a _____ strategy.
A) market penetration
B) market development
C) diversification
D) harvesting
E) product development

5) Which of the following customer markets would be categorised as business markets?
A) government agencies that buy goods and services to produce public services
B) individuals who buy goods and services for personal consumption
C) firms that buy goods and services for further processing in their production processes
D) firms that buy goods and services to resell at a profit
E) retail outlets that buy goods and services to sell them at a discount

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6) Which of the following is the reason for marketers shifting to value-marketing techniques post the Great Recession of 2008/2009?
A) reduced customer spending
B) increased taxation of industries
C) increase in purchasing power of consumers
D) decreased levels of debt for consumers
E) a general trend in product price stabilization across industries

7) Which of the following demonstrates the real value of a company's marketing research and information system?
A) the amount of data it generates
B) the variety of contact methods it uses
C) the efficiency with which it implements the research plans
D) the quality of customer insights it provides
E) the sampling plan it follows

8) What is the first step in the marketing research process?
A) developing a marketing information system
B) defining the problem and research objectives
C) developing the research plan for collecting information
D) implementing the research plan
E) interpreting data and deciding on type of research

9) Which of the following needs in Maslow's hierarchy of needs is generally satisfied the last?
A) physiological needs
B) social needs
C) esteem needs
D) self-actualisation needs
E) safety needs

10) Dr. J is in the process of buying a new car. She is carefully analysing the features she wants from the car, and perceives significant differences in price, quality, and features among her three favorite models. Dr.J's next step is most likely to be _____.
A) postpurchase behavior
B) evaluation of alternatives
C) opinion leadership
D) need recognition
E) purchase decision

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11) Which of the following is the right order of the four steps to design a customer-driven marketing strategy?
A) market segmentation, differentiation, positioning, and targeting
B) positioning, market segmentation, mass marketing, and targeting
C) market segmentation, targeting, differentiation, and positioning
D) market alignment, market segmentation, differentiation, and market positioning
E) market recognition, market preference, market targeting, and market insistence

12) The 55-year-old baby boomers share common needs in music and performers. When a music company decides to serve this group, the group is called a _____.
A) market segment
B) target market
C) well-defined market
D) diversification
E) mass customizing

13) Service perishability means that _____.
A) evaluation of services is subjective and it changes from customer to customer
B) the quality of services depends on who provides them as well as when, where, and how they are provided
C) services cannot be stored for later sale or use
D) services cannot be seen, tasted, felt, heard, or smelled before they are bought
E) services cannot be separated from their providers, whether the providers are people or machines.

14) _____ occurs when two established brand names of different companies are used on the same product.
A) Aggregated branding
B) Co-branding
C) Private branding
D) Multibranding
E) Clustered branding

15) Wanie Industries is building a new prototype riding lawnmower especially for women. The marketing strategy for the product has been developed and presented. The lawnmower is now being tested rigorously. This step will ensure that the product meets all the CPSC product specifications and leaves little chance for any product liability
issues. Once the prototype of the lawnmower passes product tests, the next step is _____.
A) test marketing
B) portfolio analysis
C) commercialization
D) internal marketing
E) business analysis

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16) Some products that have entered the decline stage can be cycled back to the growth stage through _____.
A) concept testing
B) test marketing
C) sole sourcing
D) repositioning
E) data mining

17) Under _____, the market consists of many buyers and sellers trading in a uniform commodity such as wheat, copper, or financial securities.
A) pure competition
B) monopolistic competition
C) oligopolistic competition
D) a pure monopoly
E) pure monopsony

18) Companies facing the challenge of setting prices for the first time can choose between two broad strategies: _____.
A) value-added pricing and market-level pricing
B) target cost pricing and competitive pricing
C) target cost pricing and market-skimming pricing
D) market-penetration pricing and market-skimming pricing
E) market-penetration pricing and value-added pricing

19) Which of the following types of stores is much larger than regular supermarkets and offers a large assortment of routinely purchased food products, nonfood items, and services?
A) discount stores
B) specialty stores
C) factory outlets
D) superstores
E) off-price outlets

20) Siti loves branded apparel and accessories but cannot afford to buy them too often. Fortunately, Siti lives close to an off-price retailing outlet that is owned and operated by a famous brand. The company utilizes this store to sell all its surplus, discontinued, or irregular goods at significantly lower costs. This outlet is an example of a _____.
A) category killer
B) factory outlet
C) specialty store
D) superstore
E) power center

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SECTION B: 60 marks
Answer ALL questions.

Question 1

The product planning and development typically involves **EIGHT (8)** steps. By illustrating a simple diagram of the new product development process, explain all steps involved.

(20 marks)

Question 2

Many companies face a great challenge when bringing out a new product and setting prices for the first time. Two broad pricing strategies that companies often use to set their price are: market-skimming pricing and market-penetration pricing. Distinguish between these two pricing strategies.

(20 marks)

Question 3

Public relations is another major mass-promotion tool which consists of activities designed to engage and build long term relationship with customers. What are the different functions of a public relations (PR) department?

(20 marks)

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